



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 26, 2006

H.R. 4559

A bill to provide for the conveyance of certain national Forest System land to the towns of Laona and Wabeno, Wisconsin

As ordered reported by the Senate Committee on Agriculture on September 21, 2006

H.R. 4559 would direct the Secretary of Agriculture to sell a total of about 350 acres of land in Wisconsin to two towns, Laona and Wabeno. CBO estimates that implementing H.R. 4559 would have no net impact on the federal budget and no effect on revenues.

H.R. 4559 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments. Local governments participating in these transactions would do so voluntarily.

Under H.R. 4559, the Forest Service would sell a 176-acre parcel to Laona for a specified price of \$300,000 and a 173-acre tract to Wabeno for a specified price of \$320,000. The amounts received from the two sales would be available to the Forest Service without further appropriation to acquire forest land in Wisconsin or to pay sales transactions costs such as broker commissions.

CBO estimates that the Forest Service would collect and spend, without further appropriation, offsetting receipts of about \$600,000 in fiscal year 2007 as a result of implementing this legislation. According to the agency, the two properties to be conveyed currently generate no significant receipts and are not expected to do so over the next 10 years; therefore, we estimate that conveying the land would not reduce offsetting receipts (a credit against direct spending) from commercial activities carried out on Forest Service lands. Finally, we estimate that implementing H.R. 4559 would have no significant effect on discretionary costs such as agency operating expenses.

The CBO staff contact for this estimate is Deborah Reis. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.